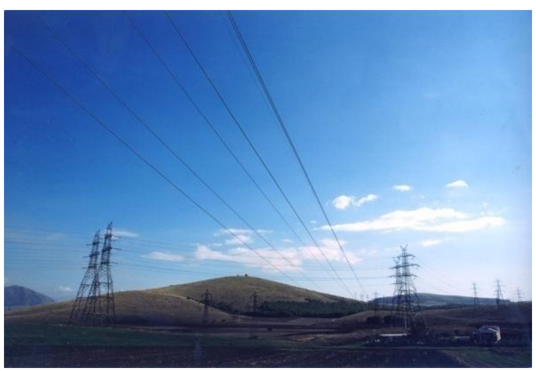




Public Power Corporation SA

Financial Results
1st Quarter 2013

Athens, May 31, 2013

Agenda

Financial Results

George Angelopoulos, CFO

Business Update & Outlook

Arthouros Zervos, Chairman and CEO

Financial Results
1st Quarter 2013

George Angelopoulos

Chief Financial Officer

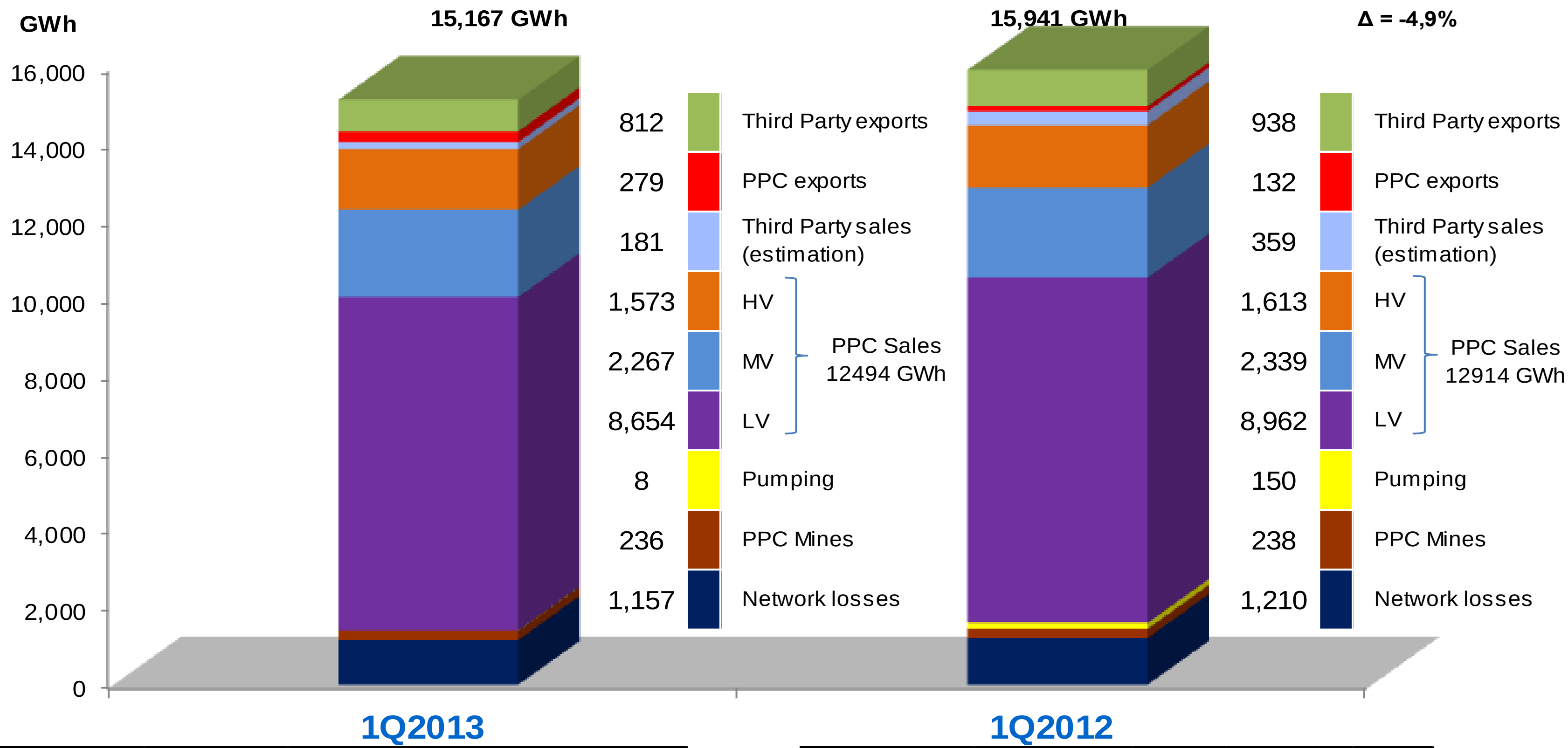
Summary Financial Results 1Q2013 / 1Q2012

Key Figures - Group (€ mln.)	1Q2013	1Q2012	Δ	Δ%
Total Revenues	**1,486.8**	**1,549.8**	**(63.0)**	**(4.1)**
Revenues from Energy Sales	*1,440.1*	*1,447.6*	*-7.5*	*(0.5)*
Total Energy Sales (GWh)	*12,773*	*13,046*	*-273*	*(2.1)*
Domestic Energy Sales (GWh)	*12,494*	*12,914*	*-420*	*(3.3)*
Other revenues	*46.7*	*102.2*	*-55*	*(54.3)*
Payroll Expense (*)	234.5	235.4	(0.9)	(0.4)
Liquid Fuel	181.5	212.5	(31.0)	(14.6)
Special Consumption Tax	*29.2*	*40.4*	*(11.2)*	*(27.7)*
Natural Gas	45.2	176.1	(130.9)	(74.3)
Special Consumption Tax	*5.2*	*20.5*	*(15.3)*	*(74.6)*
Expenditure for CO_2 emission rights	70.7	5.2	65.5	
Energy Purchases	412.3	432.1	(19.8)	(4.6)
Variable cost recovery mechanism	*105.1*	*40.1*	*65.0*	*162.1*
Transmission System Charges	21.6	32.3	(10.7)	(33.1)
Other Operating Expenses (controllable)	149.6	130.7	18.9	14.5
Provisions (**)	98.3	47.1	51.2	108.7
EBITDA	**254.0**	**232.0**	**22.0**	**9.5**
EBITDA MARGIN (%)	**17.1%**	**15.0%**		
Depreciation	152.4	158.3	(5.9)	(3.7)
Net Financial Expenses	54.7	58.3	(3.6)	(6.2)
Financial expenses	*65.1*	*68.0*	*(2.9)*	*(4.3)*
Financial income	*10.4*	*9.7*	*0.7*	*7.2*
EBT	**45.1**	**15.0**	**30.1**	**200.7**

(*) 1Q2013 payroll expense does not include an amount of € 3 mln that the State has to pay to PPC representing the State's contribution to the salaries of employees of PPC's Personnel Insurance Organisation, who remain at State Social Security Funds .
Taking into account that 1Q2012 financial figures did not include payroll cost of € 2.1 m of the spinned-off segment of the former Hellenic Transmission System to IPTO, the total reduction of payroll cost between the two periods amounts € 3 m (or -1.3%).
(**) 1Q2012 includes a € 52.7 mln reversal of the provisions for the Attica region traffic lights.

The decrease in total fuel and energy purchases expense by 20.1% is the main reason for the increase of EBITDA margin to 17.1% versus 15%, despite the decrease in total revenues by 4.1% and the increased expenditure for CO_2 emissions by 65.5 mln.

Electricity Demand 1Q2013 / 1Q2012



PPC domestic sales :	12,494 GWh
Average Market share (estimation) :	98.6%

PPC domestic sales :	12,914 GWh
Average Market share (estimation) :	97.3%

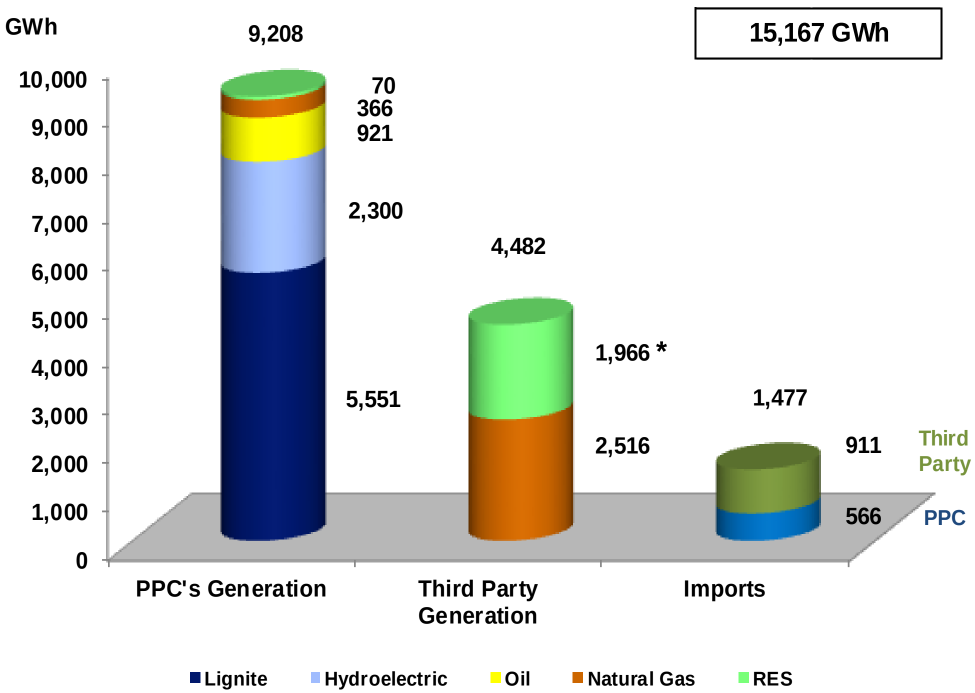
PPC exports:	279 GWh
Average Market share :	25.6%

PPC exports:	132 GWh
Average Market share :	12.3%

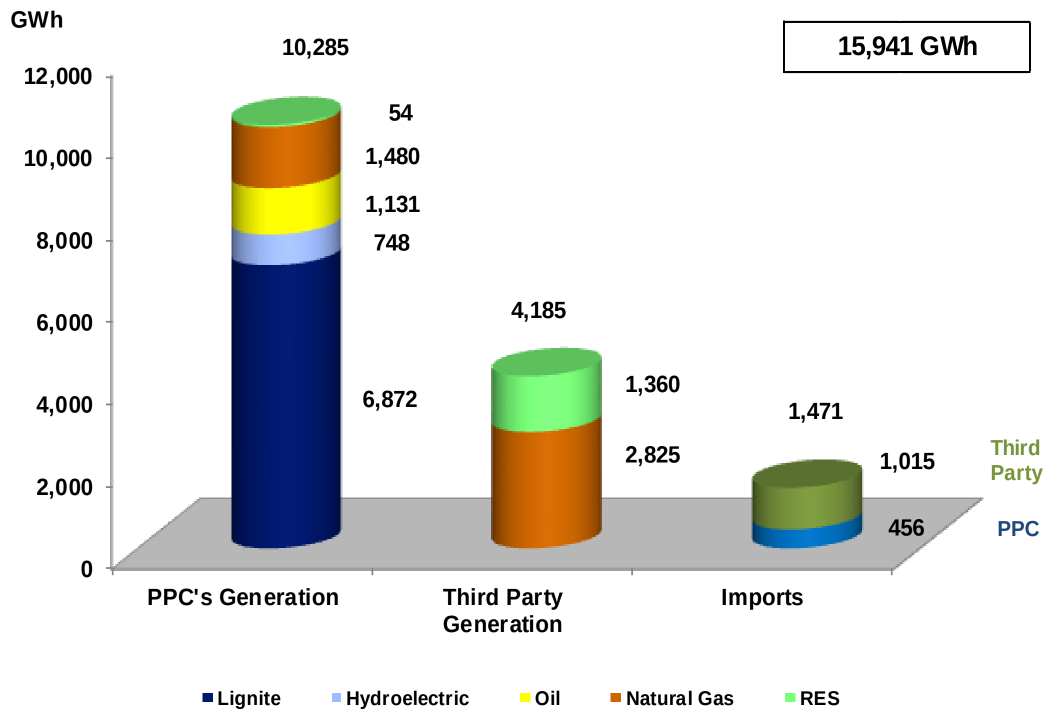
Total electricity demand, excluding pumping and exports, decreased by 4.4% (653 GWh) between the two quarters. Taking into account PPC's market share recovery in the retail market by 1.3 percentage points, PPC's domestic sales decreased in 1Q2013, by 3.3% (420 GWh), compared to 1Q2012.

Electricity Generation and Imports 1Q2013 / 1Q2012

1Q2013



1Q2012



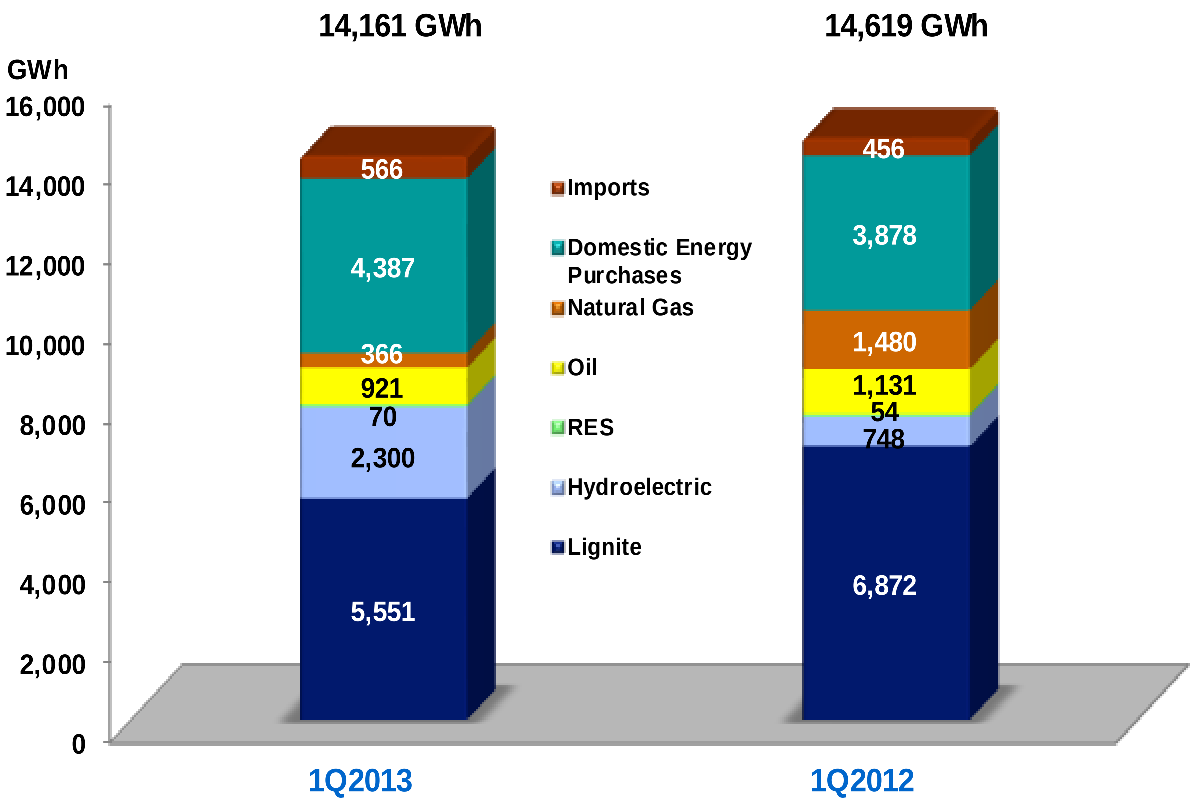
PPC generation: 9,208 GWh	PPC imports: 566 GWh
Average Market share: 67.3%	Average Market share: 38.3%

PPC generation: 10,285 GWh	PPC imports: 456 GWh
Average Market share: 71.1%	Average Market share: 31.0%

* According to the Electricity Market Operator (LAGIE), RES generation in the interconnected system does not include generation from certain new PVs, as the metering verification has not been completed yet. Specifically, in 1Q2013, electricity generated from PVs corresponds to an installed capacity of 1,664 MW, for which the metering verification has been completed, while the total installed capacity of PVs connected to the network amounts to 1,862 MW. Moreover, energy generated by rooftop PVs is cleared every four months.

In 1Q2013, PPC's electricity generation and imports, covered 64.4% of total demand, while the corresponding percentage in 1Q2012 was 67.4%.

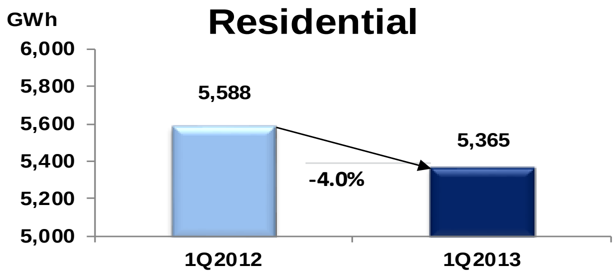
PPC/ Energy Generation and Purchases (GWh) 1Q2013 / 1Q2012

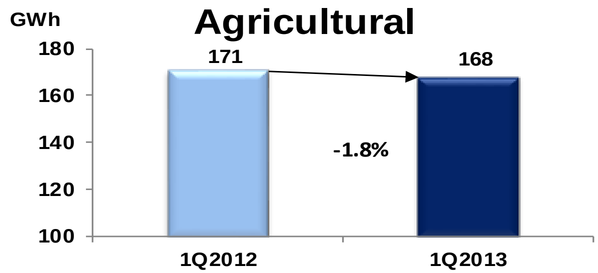


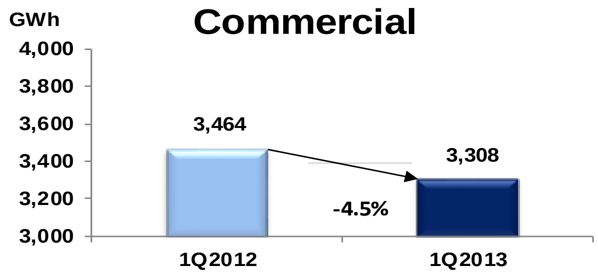
	TOTAL	Δ GWh	Δ %	% Participation	
		-458	-3.1%	1Q2013	1Q2012
PURCHASES	Imports	110	24.1%	4.0%	3.1%
	Domestic Energy Purchases	509	13.1%	31.0%	26.5%
IMPORTED FUELS	Natural Gas	-1,114	-75.3%	2.6%	10.1%
	Oil	-210	-18.6%	6.5%	7.7%
DOMESTIC FUELS	RES	16	29.6%	0.5%	0.4%
	Hydroelectric	1,552	207.5%	16.2%	5.1%
	Lignite	-1,321	-19.2%	39.2%	47.0%
TOTALS	PURCHASES			35.0%	29.6%
	IMPORTED FUELS			9.1%	17.9%
	DOMESTIC FUELS			55.9%	52.5%

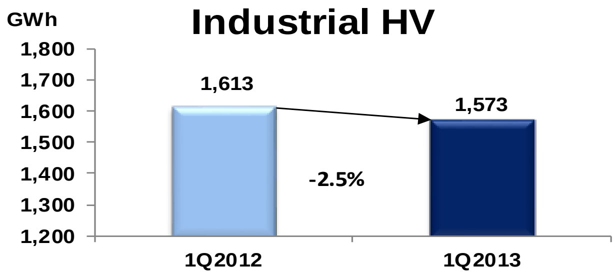
In 1Q2013, electricity generation from lignite decreased by 19.2% (1,321 GWh) compared to 1Q2012.
In the same period the percentage participation of lignite in PPC's total energy mix, declined to 39.2% vs 47% for 1Q2012.
Energy purchases (excluding PPC's imports) from the System and the Network increased by 13.1% (509 GWh) due to the increase of RES generation.
Hydro generation increased by 1,552 GWh between the two periods.

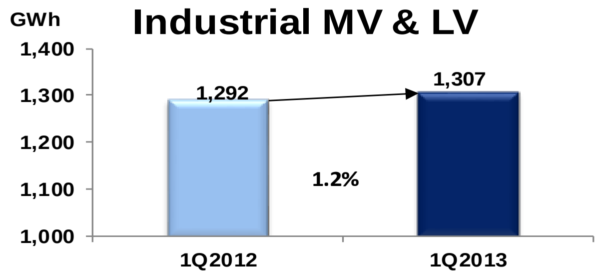
Electricity Sales (GWh) 1Q2013 / 1Q2012

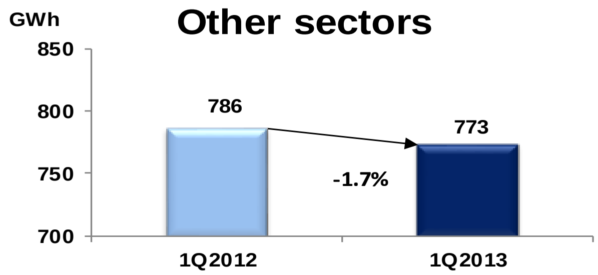


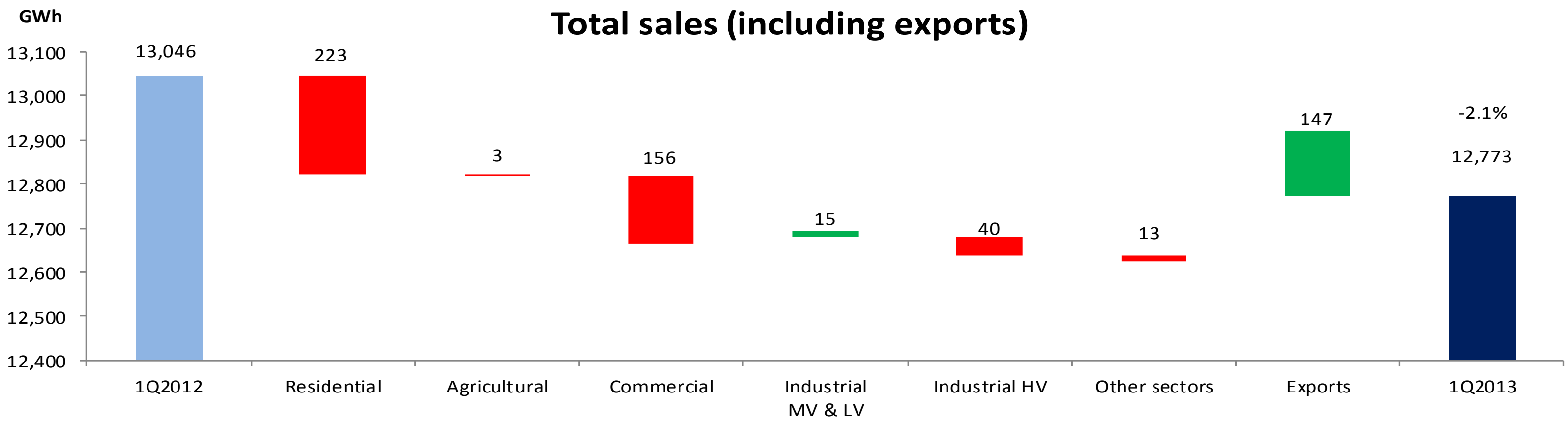






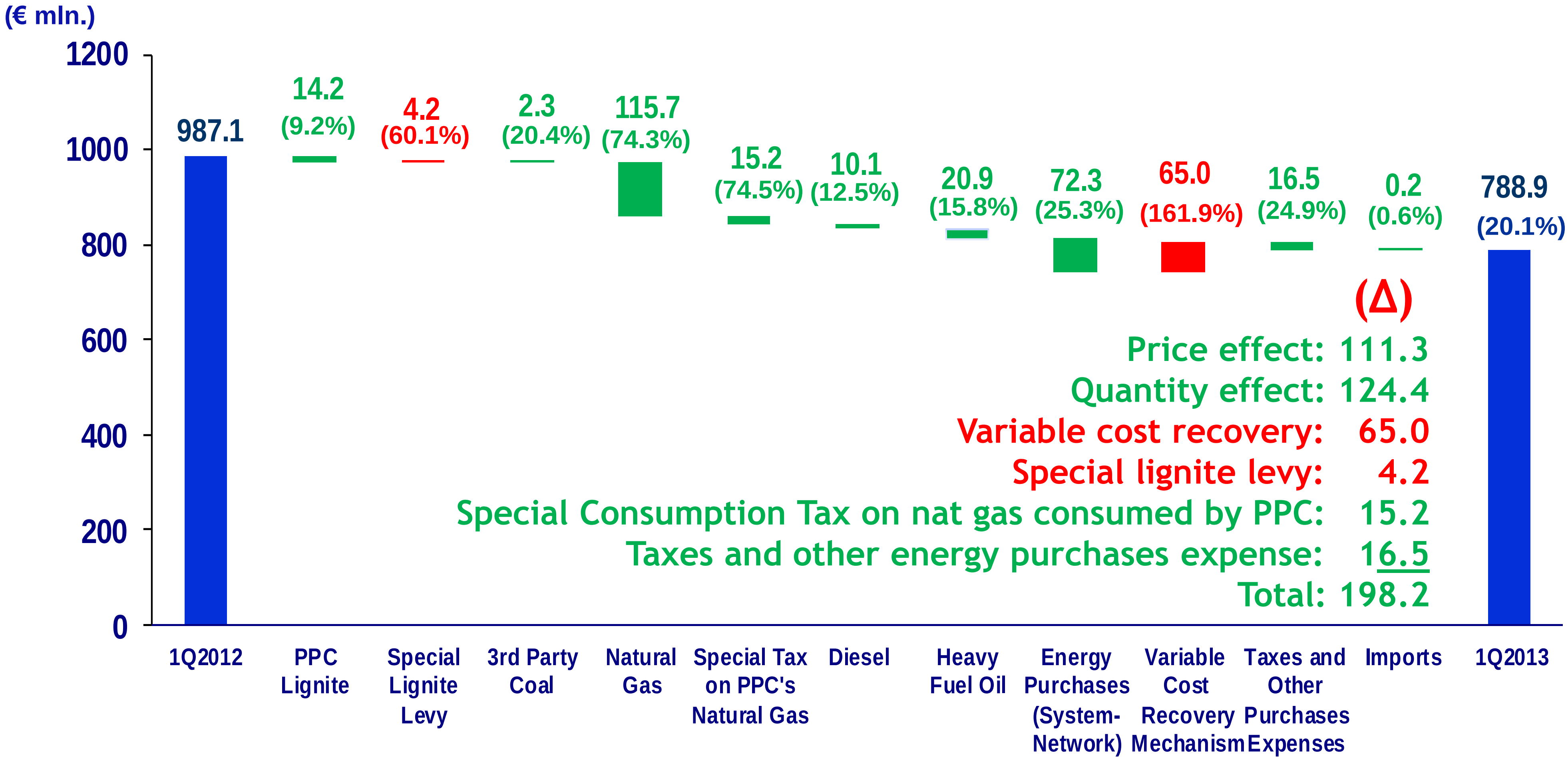






In 1Q2013, PPC's electricity sales, including exports, decreased by 273 GWh (2.1%) compared to 1Q2012, mainly due to lower sales to the residential sector by 223 GWh and to the commercial sector by 156 GWh. Excluding exports, which increased by 147 GWh, the decrease amounts to 3.3% (420 GWh).

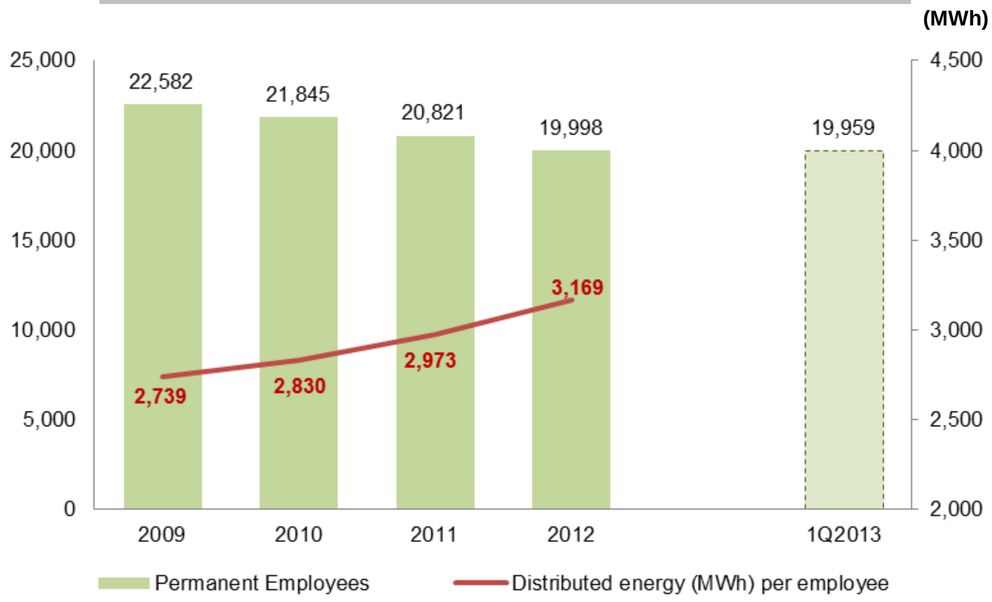
Total fuel and energy purchases expenditure 1Q2013 / 1Q2012



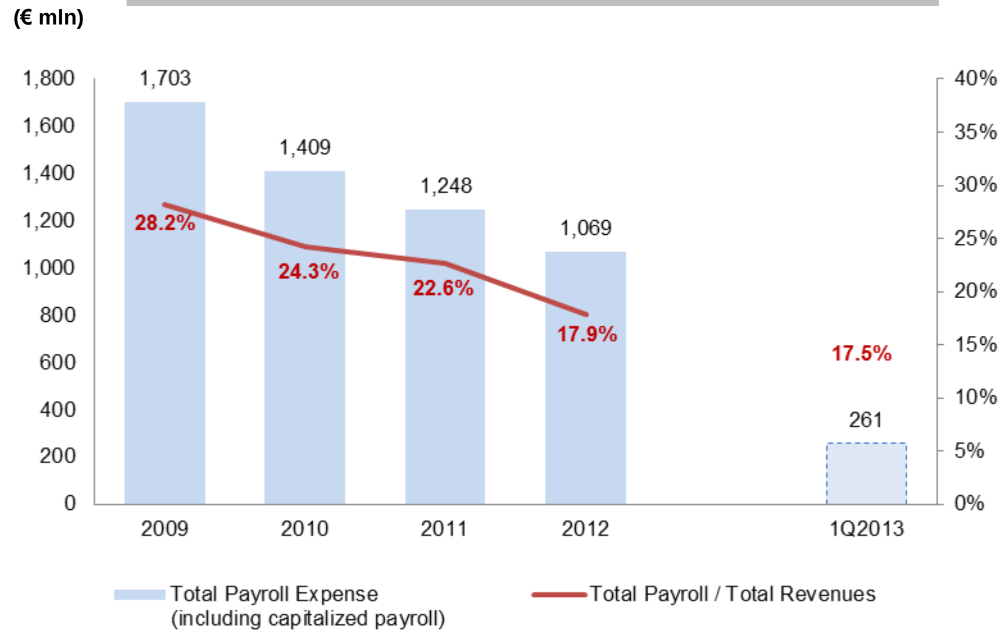
Total fuel and energy purchases expense decreased by 20.1% compared to 1Q2012, mainly driven by the lower expense for natural gas and to a lesser extent for liquid fuel.
Regarding energy purchases expense, the positive impact from the reduction of the System Marginal Price, was almost offset from the higher expense for the Variable Cost Recovery mechanism for third party generators.
As a result, there is no proportionate reduction in the energy purchase expense .

Personnel evolution – Cost cutting

Personnel evolution



Total payroll expense evolution

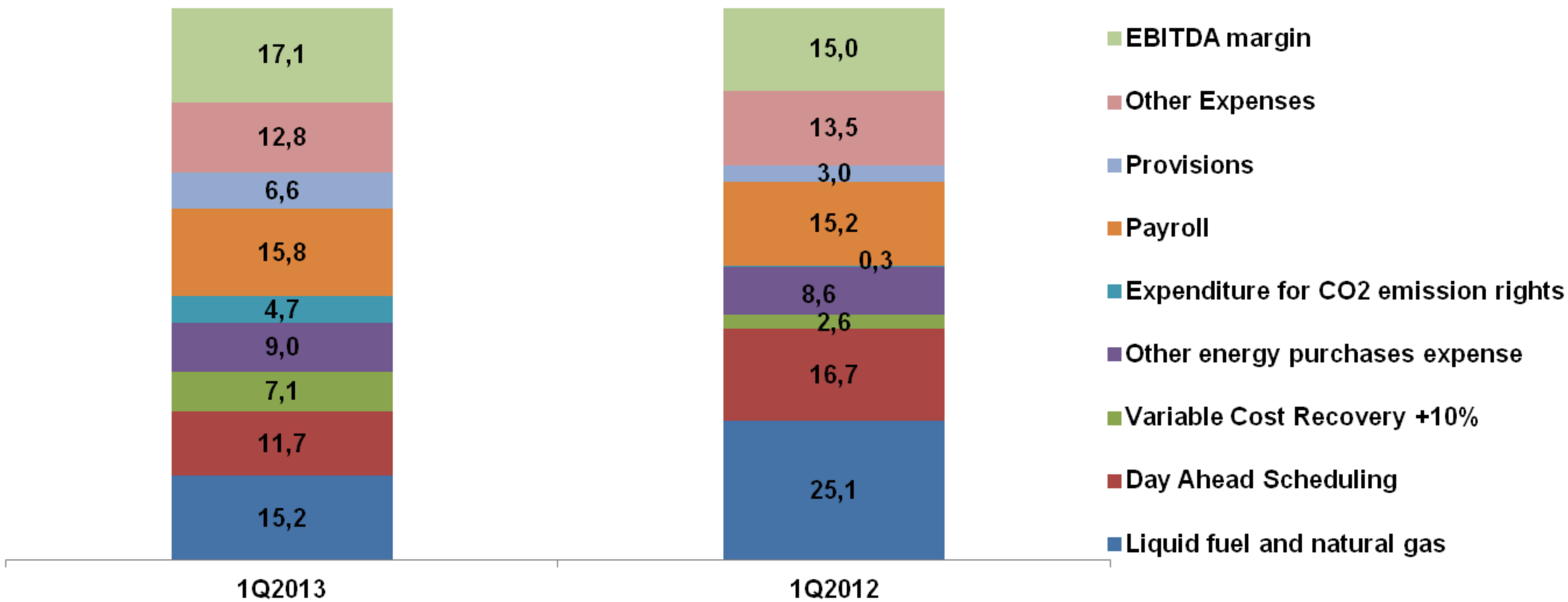


Total payroll has dramatically decreased in the last three years, thus representing 17.5% of total revenues in 1Q2013 compared to 28.2% in 2009.
The number of employees has also come down significantly from 22,582 as of end 2009 to 19,959 as of 31.3.2013.

Fuel, CO_2, other expenses and EBITDA as percentage of revenues (1Q2013 / 1Q2012)

Total Revenues | **Total Revenues**

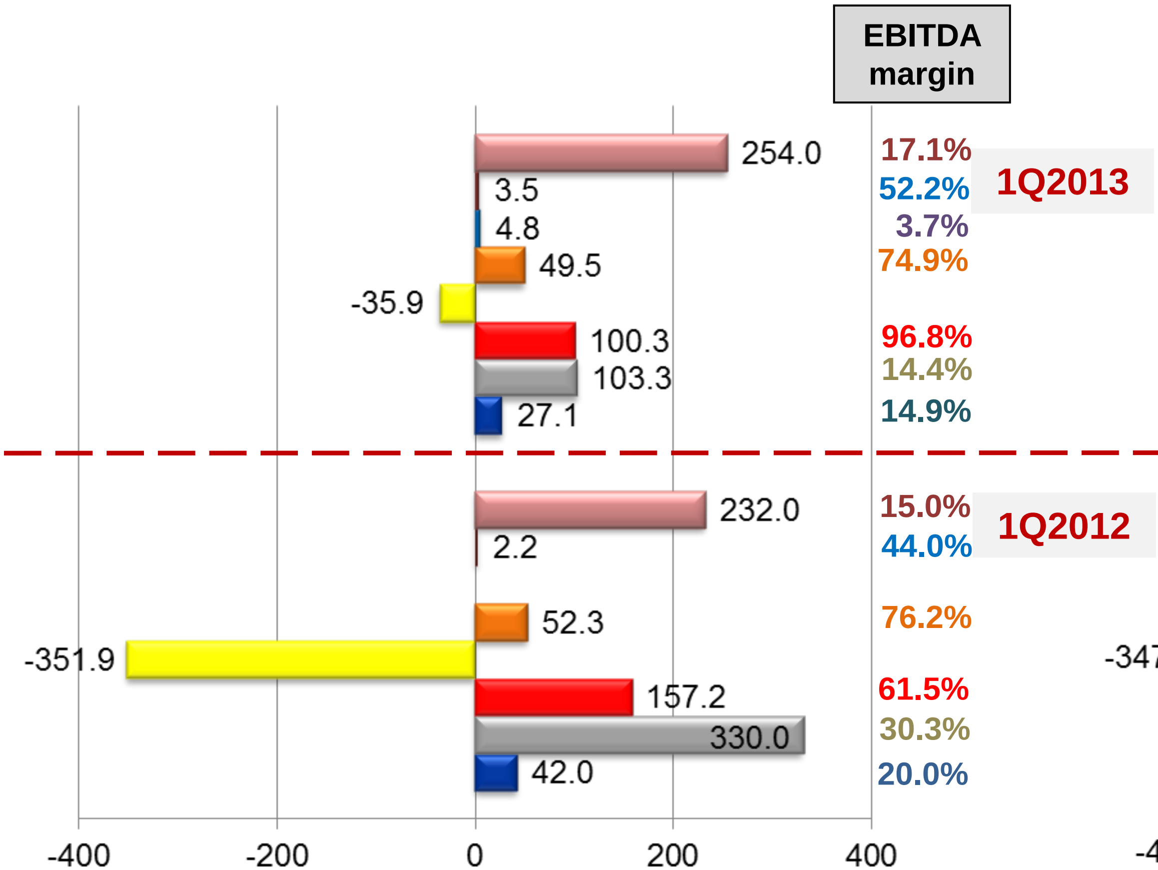
€ 1,486.8 mln. | **€ 1,549.8 mln.**



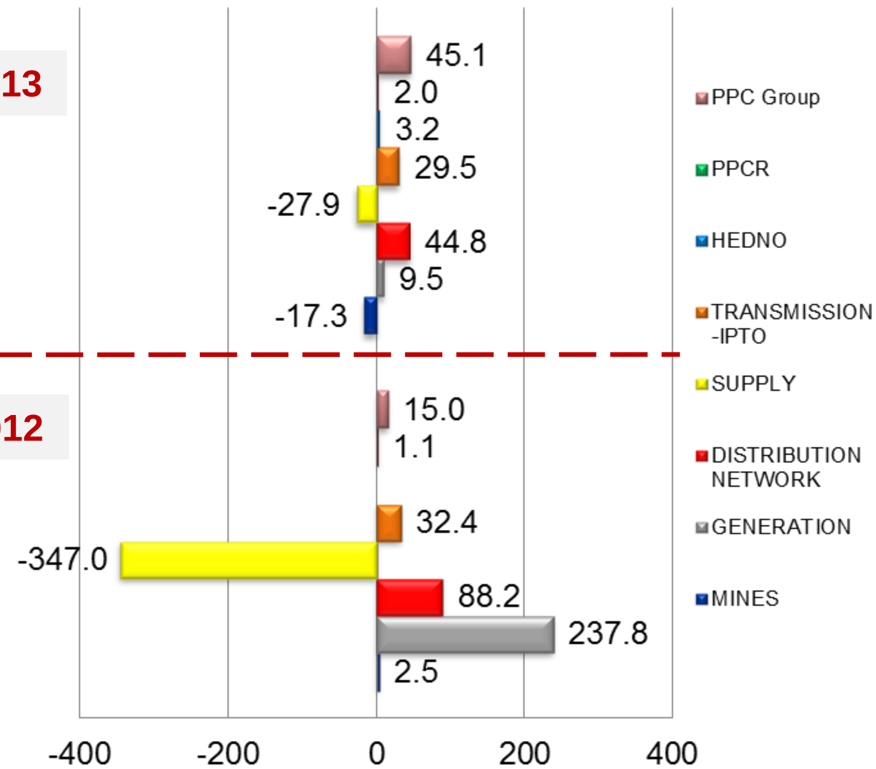
In 1Q2013, 47.7% of the Company's total revenues were expensed for fuel, energy purchases and CO_2, compared to 53.3% in 1Q2012, a fact that relates mainly to the decrease of the share of liquid fuel and natural gas expenses, to 15.2% from 25.1%, despite the fact that the participation of the expense for CO2 increased to 4.7% from 0.3% and that of the Variable cost recovery mechanism to 7.1% from 2.6%.

Financial results per activity

EBITDA (€ mln.) (1)

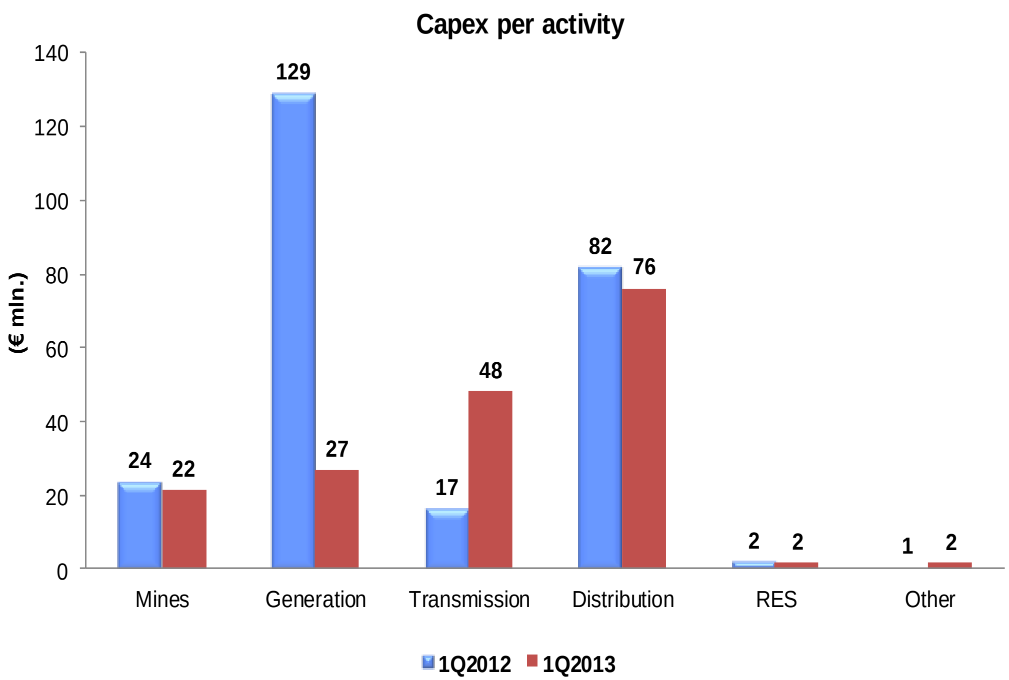


Pre-tax Profits/Losses (€ mln.) (1)



(1) Including the respective figures of the Distribution System Operator and the Operator of the non interconnected islands.

Capex – Net Debt Evolution



- **Capital expenditure in 1Q2013 amounted to € 176.5 mln. compared to € 253.9 mln. in 1Q2012, reduced by € 77.4 mln, while, as a percentage of total revenues there was a decline to 11.9% from 16.4%.**

  Excluding network users' contributions for their connection to the network (€19.7 mln. and € 38.1 mln. in 1Q2013 and 1Q2012 respectively), which fund a significant part of distribution projects, capital expenditure amounted to 10.7% and 14.3% of total revenues in 1Q2013 and 1Q2012 respectively.

- **Net debt amounted to € 4,645.4 mln, a reduction by € 204.9 mln. compared to 31.3.2012 (€ 4,850.3 mln.) and by € 33.6 mln compared to 31.12.2012 (€ 4,679 mln.).**
- **Debt repayments in 1Q2013 amounted to € 141 mln.**
- **Current portion of long term debt to be repaid in the remaining nine months amounts to € 1,347 mln. at a Group level.**
- **Recently, we proceeded with the drawdown of € 285 m from the European Investment Bank, following another € 148 m drawn in December last year, for the financing of network and generation capex.**

Business Review
& Outlook

Arthouros Zervos

Chairman and CEO

Public Power Corporation S.A.

Comments on Financial results

- ✓In the first quarter of 2013, operating profitability (EBITDA) improved by € 22 mln (+9.5%) compared to the respective period of 2012.
- ✓Revenues from electricity sales remained at the same level, despite tariff increases, due to the decline in electricity demand and adverse sales mix.
- ✓The reduction in demand and the significant increase of hydro generation resulted to a sharp drop in PPC's natural gas fired generation by 75% with a corresponding decline of the relevant expense, positively affecting energy balance expenses.
- ✓Furthermore, the increased hydro generation combined with the accelerating penetration of photovoltaics in the country's energy mix led to a reduction of the System Marginal Price by 44.2%. However, this development did not translate into similar savings in PPC expenses, as the energy purchases cost settled at € 81.8 / MWh from € 93.1/MWh, that is a reduction only by 12.1%, due to the negative impact from the Variable Cost Recovery Mechanism.
- ✓Finally, first quarter results were burdened with CO2 expenses of € 70.7 mln.

Major regulatory developments

Tariffs

- **The Ministry of Environment, Energy and Climate Change announced no tariff increases as of May, 1st, 2013.**
- **According to the provisions of the updated Memorandum signed between the Greek Government and the EU/IMF/ECB, *"the Government takes measures for the gradual phasing out of regulated electricity prices for all but vulnerable customers by June 2013".***

New legislation for RES compensation through Market Operation

- **According to the new legislation, energy purchases from RES will be paid through market operation, either at the weighted average Variable Cost of Thermal Units of the Interconnected System or the System Marginal Price, whichever is the highest.**
- **This is roughly estimated to result in an additional cost for PPC in the region of € 120 mln on an annual basis.**

Major regulatory developments – Plan for the restructuring and the privatization of PPC

Recently, the Government released a plan for the restructuring and the privatization of PPC.

The plan consists of three basic steps:

1. **Ownership unbundling of Independent Power Transmission Operator (IPTO) – To be completed by 2Q2014.**

   Phase I: Investor acquires, through a share capital increase, up to 49% of IPTO as well as management control – To be completed by the end of 2013.

   Phase II: Contractual obligation of the preferred investor to acquire a further stake up to 51% of IPTO from PPC. The State needs to maintain constitutional minority – To be completed by 2Q2014.

2. **Creation and privatisation of a new vertically integrated company with around 30% of PPC generation capacity and a respective share in the retail market – To be completed by 1Q2015.**

   The new entity is currently estimated to receive from PPC c. 1,400 MW of lignite units, (along with access to lignite mines necessary for their adequate supply), 500 MW of hydro capacity and 500 MW of nat-gas fired capacity, also taking into account the decommissioning of old units.

3. **Sale of a 17% stake of the Hellenic Republic in PPC S.A. - To be completed by end of 2015 (latest 1Q2016).**

Major operational developments

Aliveri V CCGT (417MW)

- The unit is in trial operation since March 2013, and it is expected to be set in commercial operation soon .

"Nea Makri – Polypotamos" interconnection (400 MW)

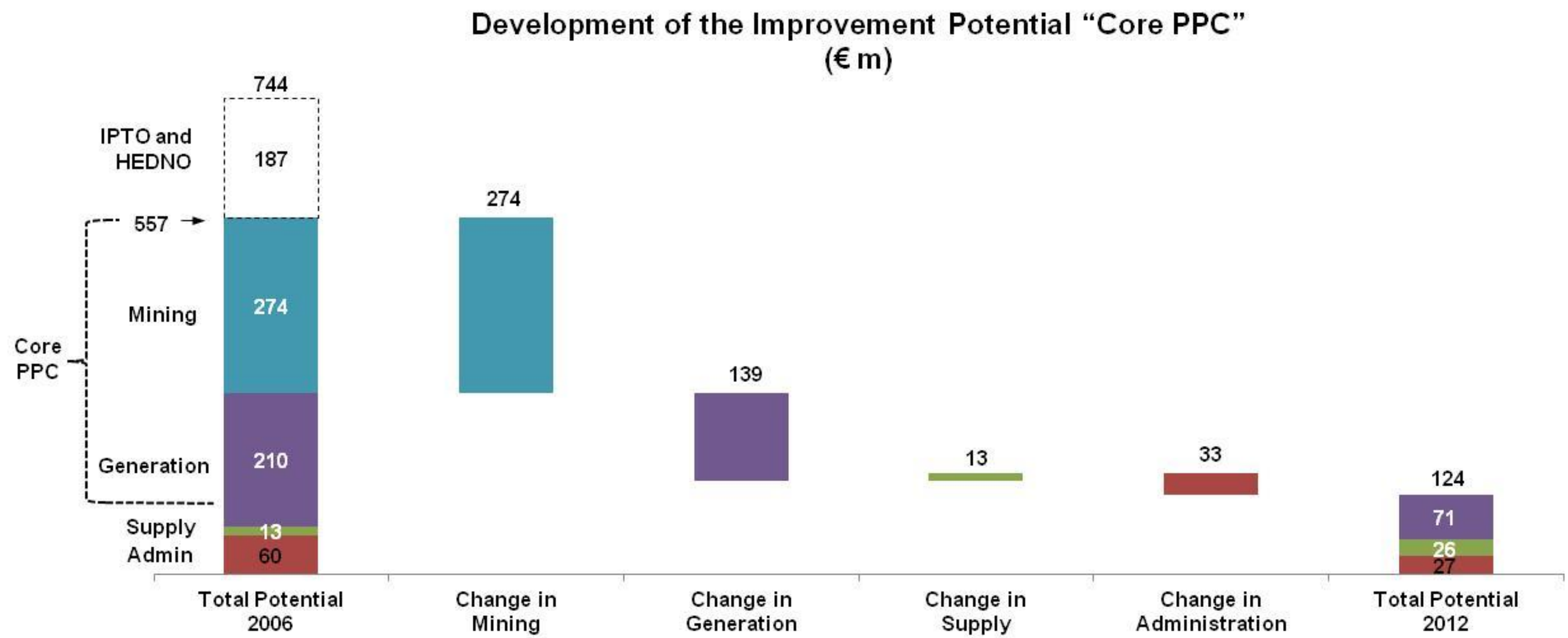
- The laying of the underwater cable between Evia and Nea Makri has been completed.
- The interconnection is expected to be operational by the end of 2013.
- The cost of the interconnection is estimated at c. € 80 mln.

Cyclades interconnection

- IPTO will proceed to the re-tendering of the project for the connection of Cyclades with the Hellenic Electricity Transmission System, with a total budget of € 240 mln, following the conclusion of the public consultation.

Cost cutting

- ✓ Cost cutting realised over the period 2009-2012 led to a reduction of efficiency improvement potential of PPC S.A., in comparison with best practices of European companies with similar activities, from € 557 mln in 2006 to € 124 mln in 2012 (according to the updated study conducted by Booz & Co).
- ✓ As depicted below, the improvement is predominantly driven by Mines (€ 274 mln) and Generation (€ 139 mln).



Source: Booz & Co

Going forward

The electricity market and the Company are in a transitional phase.

We anticipate and support market liberalization measures, which target the elimination of existing distortions, fair returns to all participants and the development of healthy competition for the benefit of the end consumer and the economy in general.

We continue to focus on completing our refinancing plan, further optimizing costs and improving our operating performance.

DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Group is subject to various risks, which, among other, relate to €/$ exchange rate, oil, natural gas, electricity prices and the price of CO2 emission rights, as well as changes in the market, legal, regulatory and fiscal framework and bad debt evolution, that could cause actual results to differ materially from those anticipated in the forward-looking statements.